G. R. S. IX-5]

Previous references.

File No. 37-15

Serial Nos. 1-8.

1916.

(Local Bo.)

Later references.

LB 88-168 1&3
B Feby 1917
L B 32-178 3+4
L.B. 52-176 47
" 123-178 1-11
LB 18-178 1-7
GENERAL AND REVENUE SECRETARIAT.
" 99-138 1&2
L.B. 72-38-86 1,2

Serial Nos. 1-8.

Part B for September 1916.

SUBJECT.

Draft prospectus for raising debentures for financing the Chitaldrug-Chikjajur Railway project.

G.O. No 732-4 dt. 22.7.16.

Directs that the proposed railway from Chitaldrug to Chikjajur be built on the metre gauge instead of on the narrow gauge and approves with certain observations the draft prospectus for raising the loan of 9 lakhs of rupees for the railway project.

Further correspondence in the matter of an addition to the prospectus. &c.

W D 8/- GPB 40,000 24.7.16

G. R. S. 11] 1915.

GENERAL AND REVENUE SECRETARIAT.

(LB)

NOTES.

File No. 37 — 15

FILE HEADING.

Phulaburi Chikajuri Railway.

From

No.	Dated	Received

Diary No.	Enclos.	Spare Copies.	Serial No.

BRIEF ABSTRACT OF LETTER.

NOTES AND ORDERS.

NOTES—First Sheet.

P-2.a

1217

G. R. S. 12]

General and Revenue Secretariat. | LB File No. 37 of 1915-16

Serial No. 1

From

The Deputy Commissioner
Chitaldrug District- No. 144 D21.9.15

Forwards for approval a draft prospectus proposed to be issued for raising debentures for financing the railway project – from Chickjajur to Chitaldrug.-

---

Government have approved of the Construction of a narrow gauge railway from Chickjajur to Chitaldrug and have called upon the BtBd to submit proposals for financing the project. The file on the subject LB 21–11 was forwarded to the Secretary for Railways for obtaining the Sanction of the Govt of India for the altered gauge as the gauge formerly Sanctioned by them was metre gauge.

(2) May this therefore be forwarded to the Secy for Railways for putting up the papers and also for favor of his remarks, if any, re the draft prospectus?

Subs for orders

KP
25-9-15

25/9-15

Putting up
Linked files

NOTE—Contn. sheet.

GPB—25,000—30-4-15

General and Revenue Secretariat. | Lb File No. 37 of 1915-16

Serial No.

line in all respects. The line may be continued from Chitaldrug onto Davangere. The Dy Bd Can have 75 tables short price an Equal sum a line 75 miles in length may be built when the Distt Board pays Cover 7 ths of the distance of the line from the Tumkur Dt frontier to Davangere via Harihar & Chitaldrug. At most another 3 tables will be necessary to complete the whole length which will be about 75 miles long in the Chitaldrug Dt. The line will open up some of the interior of the Distt and bring the Coffee Plantations into touch & the project will itself receive an impetus for development thereby.

(8) As to the amounts to be borne for each debenture. Yes 4 is the limit then it would be Easy to have one bond for 12½ rds. Whenever the amounts are to be called in Periodical Calls or Construction proceeds it would be easier to fix the amount for each bond at a higher figure but collect it in instalments.

Secy (9) I agree. This line will be 29/8/15

NOTE—Contn. sheet.

GPB—25,000—30-4-15

(6

1217

Ry. 10]

Railway Secretariat. | Lb File No. 37 of 1915. 1101

Serial No. (10)

Submitted with the opinion of the Joint Secretary to Govt. P.W. Deptt. The alternative route suggested involves a deviation of the programme approved in G.O.No. 224-30 dated Ry.7. 124-11-12 13th Nov 1911. The line from Chickpjm to Chitaldrug is stated to facilitate the link with the Bellary-Rayadrug line Mr Bell the previous Railway Secretary strongly advocated the B route now suggested. Orders are solicited if the file may be forwarded to the Jud Deptt for favor of remarks on the draft prospectus submitted by the Dy Comr

Flag N

Please see his note dated 15th July 1913 Flag M

KP 11.10.15

A copy of the D? budget for the current year is also put up.

Flag O.

BE 12/10

(11) I think we may invite the views of the Dy Comr & the Rev Commr on the alignment. & the Dy C. B? his note suggesting by the R? Comm? Deptt

Rev Secy.

KP 31/10-15

(12) The question referred

GPB—2,000—17-12-14

(8

G. R. S. 12]

General and Revenue Secretariat. | LB File No. 37 of 1915-16

Serial No.

(13) The matter was also discussed at the Ryots' meeting on the 27th October and the Dewan wanted to know what had become of the prospectus of the Ry Bank. Chittal Ryot. The Ryot R4 bins in each Dt were also discussed and notes drawn up

(14) The Ryot has also since written a D.O requesting early orders on the prospectus and making some remarks about the rate of interest. The D.O is herewith put up

(15) In these circumstances it seems undesirable to permit the question of the new Cent, the Ryot & the Dt

NOTE—Contn. sheet.

GPB—25,000—2-11-14

G. R. S. 12]

(10

1217

General and Revenue Secretariat. | LB File No. 37 of 1915-16

Serial No.

W. O No. 788 9.11.15

(18) Forwarded to the Secretary to the Govt for Railways -

by order
L. Mukherjee
Jr Secy.
Rev Secy

9th Nov 1915)

Rec'd 11.11.15.

Mem (19) At the meeting of the Railway Committee held yesterday it was decided to take up the question of Jiri - Bijnajan - Kulsakhang - Bavanpur Connection in preference to the Nilajan - Kulsakhang Connection. The map prepared by the Railway & the Construction Engineer left. For reasons mentioned in the note of the 29th September this alternative line should be selected in preference to the other line even though it was once on the programme & recommended for sanction by Govt. When bazaar lines have to be built they have to be considered first the non-paying links taken up sometimes. The Report of the Committee & Kulsakhang branch line and found somewhat in favour of this line & objections minimised. But it seemed appear that this aspect of the question has not been raised hitherto & the project Connection Nilajan better Kulsakhang to be proceeded with. I submit that the alternative Rhemu

NOTE—Contn. sheet.

GPB—25,000—2-12-14

Serial No.

having been accepted by the Committee before
they can enter upon a decision on the
Chikkoppa-Mutaldrug connection can be
reached - the length of this alternative route is
107 miles and on a light Railway profile at Rs 35,000
per mile would cost 37½ lakhs.

(20) Regarding the prospectus, the finance
Department will have to be consulted. To make
the debentures more attractive & the people easily
& readily purchase them under means also to
form for the debentures the B.V.R.C. proposes
to issue the debentures in small shares
of Rs 100. It may perhaps be allowed. In order
to further make the loan more easily floated
a Government help and participation of
½ the Board's share of profits is proposed to
be offered. This Dept has no objection if the necessary
Capital will be readily forthcoming.

(21) It may perhaps be stated that even
in the alternative route above mentioned
the same modus operandi might be followed
in order to raise the Capital by both the
Municipal Mutaldrug & B.V.R.C. if the required
Capital be raised easily it would be a perfect
fine up to Hiriyur Rly & much needed
branch line opening up the northern half
of the Municipal Mutaldrug etc in preference
to a blind thinking up of Mutaldrug with the
main line at Chikkoppa.

GPB—1,500—3-12-12

(12

Railway Secretariat. | LB File No. 37 of 1915-16.

Serial No.

(1) Perhaps Secretary also Counsel can Appellate on the matter.

Secy 11.11.15

(2) In the discussion of this during the meeting of Defence Committee & Board of Defatmts, the Govt seemed unwilling to abandon this link. Kindly examine the Property & note your opinion. We may then send it to the Financial Defatmt for opinion. & when giving this opinion we may incidentally bring to notice of the Govt the importance of the Property to the holder of Govt

J.J. 12/11

Mdy 12/11

GEB—1,500—8-12-12

(3) Secretary to the Govt

(14

Ry. 10]

Railway Secretariat. | LB File No. 37 of 1915-16

Serial No.

-:(2):-

stock being made of a lighter kind. Multiplica-tion and consequent break of gauge at the junc-tions with the main lines will not easily divert road traffic as the inconveniences of loading and unloading and waiting for wagons, &c. are very serious. Moreover, such break of gauge will require extravagant provision of rolling stock. The original gauge sanctioned for the Chitaldrug-Chickjajur line may be kept up.

3.(7) Incidentally, I would urge the greater importance of Tumkur-Sira-Hiriyur-Chitaldrug line.

H. Krishnaiengar

Bangalore, Offg. Secretary for Railways,
27th November 1915. Government of Mysore.

29/11/15

To

The Secretary to Government,

Revenue Department.

1A From

The Dy Comm. Chitaldrug Dt No 2442 19.11.15
Requests early orders on the draft prospectus received with Sl 1 supra for financing Chickjajur-Chitaldrug Railway & Suggests certain modifications to the draft prospectus.

GPB—2,000—17-12-14.

(16

G. R. S. 12]

General and Revenue. Secretariat. | LB File No. 37 of 1915-16

Serial No.

Papers under disposal.

the other terms mentioned in Dy Comm's letter dated 19th Nov 1915 may be agreed to. The right of repayment after 5 years must be retained.

MS

23/11

BB 17

(21) Submitted with the opinion of the Fin Secretary. The changes suggested are noted in pencil in the draft prospectus. It appears necessary to omit the words under Govt guarantee" in the form of application also in view of the financial opinion above recorded.

(22) Orders are solicited if the prospectus may be approved with the alterations indicated without remitting the matter again to the Bd for opinion as regards the enhanced rate of interest and minor changes proposed, as in order to save time

Attention is invited to remarks recorded from Comm Flag O.

KP 3/11/16

(23) The word "guarantee" in Prospectus

The form of application is probably meant to indicate the sanction for raising the loan. It may be changed to "sanction"

To save delay approval of the Prospectus

NOTE—Contn. sheet.

GPB—25,000—30-4-15

R. S. 12]

2504

18

General and Revenue Secretariat.

αB File No. 37 of 191 5.—16

Serial No.

How it is desired that these questions have already been settled and cannot be reopened. Draft may be approved

2nd member 7/1/16

Council matter.

10/1/16

11/1/16

3556
11.1.16

(39) Please circulate to Council and bring up at a meeting of Council. The gauge may have to be altered from 2'-6" to light metre gauge (3'-3⅜") and the cost increased from 15 to 20 per cent. The total cost will be about 9 lakhs.

13.1.16

Secy 15/1/16

C.S. ai Dues 17/1

NOTE—Contn. sheet.

GPB—25,000—2-11-14

Subject.-Clause iii of the Schedule).

(1) Draft Prospectus proposed to be issued for raising debentures for financing the Chickjajur-Chitaldrug Railway Project; and the

(2) question of changing the gauge of the above Railway from 2'-6" to light metre gauge (3'-3$\frac{3}{8}$").

OPINION OF THE COUNCIL.

(40) The District Board may be consulted in regard to the change of gauge. A suitable draft may be prepared

167

(21)

G. R. S. 12]

General and Revenue Secretariat. | File No. 37 of 1915.

Serial No.

and drilling stock being made of a lighter kind than usual and that this will involve an increase in the cost of the project from 7½ to 9 lakhs & requests him therefore to obtain and submit a copy of the sanction of the Dt Bd in addition to the letter with a revised prospectus for raising the required loan if they agree to the change.

From

3 The President Dt Bd Chittalong No. 448 d 11.3.16.

Reports that the Dt Bd agree to the adoption of a metre gauge for the Chittalong-Chickjajur railway and forwards draft prospectus for approval and publication in the Gazette.

(4b) The translation of the prospectus has not been received though it is stated to have been sent.

Vide para 30 Supra.

The financial Secretary has already recorded his remarks about the ~~main~~ chief points in the prospectus, The Dy Comm has not inserted in the prospectus a condition reserving the option to pay off the loan in 5 years though in his letter no. 244 dated 19th Nov 1915 stated that such a condition was necessary. Rs 6¼ is considered too small sum for debentures. Orders are solicited if the prospectus may be

Paper under this para T

NOTE—Contn. sheet.

G23 -70,000—17-12-15

G. R. S. 12]

General and Revenue Secretariat.

LB File No. 37 of 1915-16

3397

Council matter

Serial No. (53) Submitted with draft.

K.P.

22/3/16.

(54) The financial Secy had agreed to the proposed discount in para 30 supra & but has now changed his opinion

(55) The benefit alterations in the draft prospectus will be noted on approval.

Revised by

Hrs
22/3

(56) The change of name is to be approved by H.H.

(57) I am inclined to agree with the Financial Secy that no discount is necessary as the rate of interest provided in the loan is unusually liberal.

(58) The matter may be considered at an early meeting of Council

Yrs faithfully
Secretary

H
31/3/16

Hrs
31/3

NOTE—Contn. sheet.

G I P—65,000—17-C-12.

~~127~~ (~~28~~ 25

63 SUBJECT.- (Clause xii of the sched.)

(1) Draft Prospectus proposed to be issued for raising debentures for financing the Chikjajur-Chitaldrug Ry. Project; and

(2) Question of changing the guage of the above Railway from 2'-6" to light ~~metre~~ metre guage (3'-3⅜")

OPINION OF THE COU.CIL.

~~The guage can be altered to light metre (3'-3⅜")~~ / ~~The prospectus was approved~~.

~~Suggested the following alterations:~~ ——

13/4

General

64 The Mysore Bank may be consulted in regard to the matter which may be brought up for consideration in Council before the Rly. further action in the matter is taken. Draft may be sent up to the First member.

13/4

65 BV iv for necessary

14/4/46

14.4
15/4

3347/26

(27)

i. R. S. 12]

General and Revenue Secretariat. | LB File No. 37 of 1915-16

Serial No.	
	6) Submitted with draft KL. 15/4/16 Agreement letter 15/4/16. 6a) Amended 6b) Translated the draft Prospectus The Secretary Chamber of Commerce reports Y. 6.4
318/15.4.16	
KL 17/4/16	6c) Wrong Box 17/4.
4	Letter No. 7852 dt 20.4.16 to the Manager, Mysore Bank. Requests him to favour the views of the Bank on the advisability of allowing 5% interest on the loan applied for by the Dt. Bd. and in other matters connected therewith
5	From The Manager, Bank of Mysore No. G. 6/143 dated 15.5.16 States that the Board of Directors are prepared to underwrite the whole of the proposed ~~same~~ loan on payment of a Commission of 3% provided Govt accept certain ~~conditions~~ Conditions proposed by them. To The following are among the chief of the Conditions proposed by the directors of the Bank —

NOTE—Contn. sheet.

GPB—25,000—2-11-14

G. R. S. 12]

General and Revenue Secretariat. | Lb File No. 37 of 1915-16.

Serial No.

(a) That the repayment of the loan should be guaranteed by Govt or that the Railway line itself should be offered as security to the debenture holders.

may be done. M 20/5-

(b) That a premium of 5% would be paid on the whole loan or part thereof ~~if it were~~ to in the event of the loan being discharged within 10 years and 3% if within 20 years

No. M 20/5

(C) Both Capital and interest may be exempted from all taxes present & future and ~~would~~ should be a positive charge on the General Revenues of Govt

No. M 20/5

(d) That the condition of the division of the moiety of the surplus profits may be omitted.

may be omitted if possible - M 20/5

(e) The period of two years proposed for calls is excessive.

may be reduced if possible. M 20/5-

(f) The debenture ~~holders~~ purchasers may be allowed to pay the whole money & draw interest from the date of payment into the Treasury and that the default to pay up instalments should entail forfeiture of previous instalments

may be allowed. M 20/5-

(g) Bonds of denominations of Rs 20, 50, 100, 500 & 1000 may be issued.

We may have small bonds as per recent Govt orders. M 20/5-

(h) Payment of commission at 3% and ½% for the management & payment of interest

(h) Considering the

NOTE—Contn. sheet

P. 7.6

G. R. S. 12]

General and Revenue Secretariat. | LB File No. 37 of 1915-16.

Serial No. 71)

favourable rates 1%. is the maximum that can be given for underwriting. As regards ½%. for payt of interest the Comptroller will gladly undertake the work for 1/16%. Even if the Bank undertakes the payt of interest much of the real work will have to be done by the Compte or his assistants.

JBs
20/5

The intention of Govt is that the whole Concern should be solely a private one of the Bt Board in accordance with the terms of G.O. No 7E 4932-81/G7 163-13-1 dated 22nd April 1914. The proposals made by the Directors of the Bank are neither advantageous to Govt nor favourable to the Bt Bd. The main object with which the bank was consulted was to ascertain whether a rate of 5% interest may be allowed on the proposed loan. & the Bank authorities consider the rate fair under present conditions. The terms of the prospectus sent up by the Dy Comm for sanction are in accordance with the existing rules and favorable to the Bt Bd. Submd for orders

KP
16.5.16
BC

72) The Bank's views are from a purely Commercial point of view - But Govt Enterprise requires some consideration to be shewn.

Rev Secy.)

16/5-16

NOTE—Contn. sheet.

GPB—70.000—17-12-15

4080

(30/29)

G. R. S. 12]

General and Revenue Secretariat. | L&B File No. 37 of 1915-16

Serial No.

73) The has to be brought up at the next meeting of Council

Genl Secy

17/5/16

17/5/16

6-8. Circulate. 17/5/16

638. 18.5.16.

74) Seen. (I should prefer such files being sent to me after the Member in charge has seen them)

18/5/16

The 7.30 Member had not yet come to office. As he was expected by 3 30 and as the case was an urgent one, the file was sent to Second Member in the meanwhile, to save delay)

96 18-5-16

75) I think the Financial Secy may be referred to. I myself see no Objn. to adopting the suggestions of the Bank.

18.5-

Friday)

Dues 1915

76) 1) Please see remarks in the margin of pages 28 & 29.

77) 2) The Bank criticised the Chetal Dung municipal loan terms but now they if

NOTE—Contn. sheet.

GPB—70,000—17-12-15

G. R. S. 12]

General and Revenue Secretariat. | dB. File No. 37 of 191 5.

Serial No.

wants more favourable terms itself!

78) 3) Interest at 6% with option of repaying at par after five years is exactly the same as interest as five per cent with option of repaying at 5% premium after 5 years. How does the Bank secure money on better terms than what was agreed in the Chalabony municipal loan case?

79) 4) In this case we have offered five per cent interest (possibly a lower rate after five years) plus half of proportionate profit. The Bank proposes more favourable terms about repayment & interest and wants to eliminate the profit-sharing. The former plan has decided advantages from many points.

80) 5) The Bank wants 3% i/c. Rs 27,000 for raising the loan, but it expects 1% discount in the case of the Chalabony municipal loan. If the Dy Commr can raise the loan with 1% or 2% discount he will be cheaper.

81) 6) ½% for managing the loan is excessive. Even then the Bank will manage the loan only nominally, our Treasuries will have to make the bulk of the payments & the checking of the accts will also have to be done by us. Comptroller will do it for 1/16%.

82) 7) If the Bank will underwrite the loan on our conditions we may give 1½%. Shamsiya Dy Commr has raised about an equal 8mm on 1% discount basis at 4%.

20/5

NOTE—Contn. sheet.

GPB—70,000—17-12-15

(31

G. R. S. 12]

General and Revenue Secretariat. File No. 87 of 191

Serial No. 83)

Recirculated with the Fin. Secy's opinion. Douglas 20/5

Finst & Second Members

T 689 / 22.5.16

146 / 20.5.16

84) As important points are involved may be discussed in Council

21.5 — Gen 24

85) Agreed

Gen 25

Agreed / 29.5.16.

P.T.O.

NOTE—Contn. sheet.

GPB —70,000—17-12-15

Extract from the Proceedings of the 385th Meeting of the Council of His Highness the Maharaja, held at Mysore, on the 8th June 19 16.

6. Subject.-(Outside the Schedule).

(i) Draft prospectus proposed to be issued for raising debentures for financing the Chikjajur-Chitaldrug Railway project; and

(ii) the question of changing the gauge of the above railway from 2'-6" to light metre gauge 3'-3⅜".

OPINION OF THE COUNCIL

The gauge may be altered to metre gauge. No discount need be paid. Debentures for Rs.6¼ are unnecessary. The loan may be made repayable after five years at the option of either the Government or the District Board after six months' notice. The rate of interest may be five per cent.

Subject to these conditions, the draft prospectus may be approved.

Sd. M. Visvesvaraya,
Dewan of Mysore.

"EXTRACT"

D. M. Narasimha Rao
Secretary to Government,
General Department.

W. D. 1364—GPB—500—14-12-15

(35

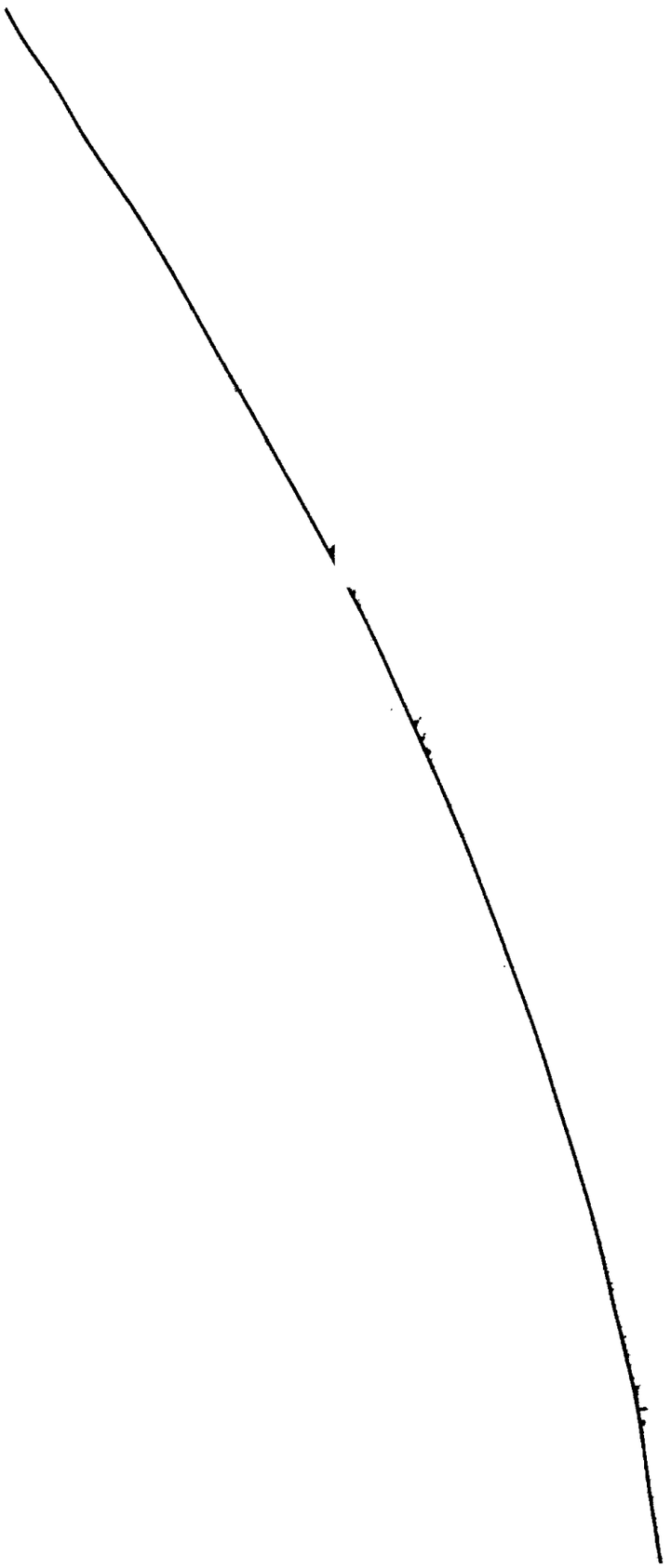
G. R. S. 12]

General and Revenue Secretariat.

LB File No. 37 of 191 5216

Serial No.

Cheque in favour of Dy. Co.
LK 8-7-916



NOTE—Contn. sheet.

GPB—20,000—30-6-15

G. R. S. 12]

General and Revenue Secretariat. | LB. File No. 37 of 191 5-16

Serial No.

6 To the Dy. Comr. & Resident, Dist. Bd. Chittaldrug.
" Comptroller Hyd. Bor. II.
" Secy. to Govt. for Railways.
Govt. No. 732-4 dated. 22-7-16.

Directs that the proposed Railway be built on the metre gauge instead of on the narrow gauge & approves with certain observations the draft proposals for raising the loan of 9 lakhs of rupees for the project.

(99) Financial Deptt consulted vide paras. 30, 49, 50, 76-82.

(100) Draft of fair Communicating the orders of the Comptroller are subd for orders.

24/7.

(101) Communicate by 25-7-16

(102) Communicated 26/7

7 From

the Dy Comm. Chitaldrug Dist. No. C 44 07 16-17 dt 15/8/16

States that the prospects for raising a loan of 9 lacs of rupees for financing the Chickjajur - Chitaldrug Railway project has been sent to the Compiler for publication with an addition to para 4 of the same to the effect that on failure to pay the instalment month promptly the debenture holders will be liable to forfeit the amounts paid towards the purchase of

NOTE—Contn. sheet.

GPB—70,000—17-12-15

G. R. S. 12]

General and Revenue Secretariat.

LB File No. 37 of 1915.

Serial No.	
8	G.O. No. 1545-6 dt. 24.8.16 Approves of the addition referred to in [illegible] and requests the Dy Commr Chittagong to forward to Govt a dozen copies of the prospectus after publication in the Gazette. From The Dy Comm, Chittagong Dt No 44 dt 16-17 & 16.9.16. Forwards a dozen copies of the prospectus relating to the loan of the Chittagong - Chittagong Dt Bd Railway. As directed 3 copies will be retained in the branch & the rest sent to the records. KP. 23.9.16 Yes please – 25/9

NOTE—Contn. sheet.

GPB—70,000—17-12-15

Meeting No. 1 of 1915-16.

Proceedings of the meeting of the Chitaldrug District Board held at Chitaldrug on Wednesday the 15th September 1915.

Present:- C. S. Balasundaram Iyer Esquire B.A., President.

Ex-Officio Members.

P. 1. Mr. B. Bhima Rao, Treasury Asst: Commissioner and Vice President.
P. 2. " " S. Narain Rao, Assistant Commissioner, Chitaldrug Sub Division.
P. 3. Mr. M. G. Samuel, District Sanitary Officer.
P. 4. " Rajaram Rao, District Medical Officer.
P. 5. " T. Chokkanna, Senior Asst: Commissioner, Davangere Sub Division.
P. 6. " R. S. Navaratna, Executive Engineer, Chitaldrug Division.
P. 7. " Venkata Rao, District Inspector of Schools (in charge).

Non-officials.

A. 1. Mr. Anantha Chetty.
P. 2. " Karianna, Patel.
P. 3. " Chennaviriah.
P. 4. " Shanbhog Subbanna.
A. 5. " Sanna Thippiah.
P. 6. " Bhari Sanna Thippeswami.
P. 7. " Gundappa.
P. 8. " D. Ramanna.
P. 9. " H. V. Gopaliah
P. 10. " Gowda Nagappa.
P. 11. " Settara Papanna.
A. 12. " Narain Chetty.
A. 13. " Onkarappa.
A. 14. " Settara Ponnanna.
P. 15. " T. Shadaksharappa.
A. 16. " Abdul Razak.
P. 17. " Jodidar Shamachar.
P. 18. " Gurusiddappa.

The Amildars of all the Taluks and the Deputy Amildar of the Harihar Sub Taluk were present except the Amildars of Chitaldrug, Holalkere and Holalkuru.

XVII., Read again Government order No.9536-8/L.B.21-11-19 dated 28th May 1915 directing that the District Board should take steps to immediately finance the revised Railway project from Chickjajur to Chitaldrug.

Resolution:- Resolved that a prospectus similar to the one issued by the Shimoga District Board be issued inviting applications for shares.

(Sd) C. S. Balasundaram Iyer,

President.

"COPY."

C S Balasundaram

Deputy Commissioner,

S.V. Chitaldrug District.

Ref to LB 37-15-1.

ಅ. ಶ್ರೀಮಾನ್ ಸಹಾಯಕ ಕಮಿಷನರ್ ಸಾಹೇಬರವರಿಗೆ.

ಶ್ರೀಮಾನ್ ಸರ್ವೇ ಸೂಪರಿಂಟೆಂಡೆಂಟರವರು ಮೈಸೂರು ದಿನಾಂಕ .....

ಇವರಿಗೆ ಬರೆದ ಪತ್ರ.

1. ಶ್ರೀಮಾನ್ ಕಮಿಷನರ್ ಸಾಹೇಬರವರ ಪತ್ರದ ಪ್ರಕಾರ ಸರ್ವೇ ಸೆಟ್ಲ್‌ಮೆಂಟ್ ಕಛೇರಿಯವರು 28.5.19 ದಿನಾಂಕದ $\frac{9536-8}{\text{LB } 21-11-19}$ ನೇ ನಂಬರಿನ ಪತ್ರದಲ್ಲಿ ಈ ತಾಲ್ಲೂಕಿನ ಅಂಬಳೆ ಹೋಬಳಿಯ ಕೆಲವು ಗ್ರಾಮಗಳಲ್ಲಿ ಸರ್ವೇ ಕೆಲಸವನ್ನು ಪ್ರಾರಂಭಿಸಿರುವುದಾಗಿಯೂ ಆ ಗ್ರಾಮಗಳಲ್ಲಿ ಸರ್ವೇ ಕೆಲಸವು ಮುಗಿಯುವವರೆಗೂ ಅಲ್ಲಿ ಸರ್ವೇ ಕೆಲಸಕ್ಕೆ ಸಂಬಂಧಪಟ್ಟ ಕೆಲವು ಜನ ಸಿಬ್ಬಂದಿಯವರು ಅಲ್ಲಿಯೇ ಇರಬೇಕಾಗಿರುವುದಾಗಿಯೂ ಆ ಸಿಬ್ಬಂದಿಯವರಿಗೆ ಅಲ್ಲಿ ಸೂಕ್ತವಾದ ವಸತಿ ಸೌಕರ್ಯವನ್ನು ಏರ್ಪಡಿಸಿಕೊಡಬೇಕಾಗಿಯೂ ಬರೆದಿರುತ್ತಾರೆ.

2. ಈ ಕೆಲಸಕ್ಕಾಗಿ 7½ ಎಕರೆ ಅಂಬಳೆ ಗ್ರಾಮದಲ್ಲಿ ಸರ್ವೇ ಆಫೀಸ್ ಮತ್ತು ಸಿಬ್ಬಂದಿಯವರಿಗೆ ವಾಸಕ್ಕಾಗಿ ಮನೆಗಳನ್ನು ಕಟ್ಟಿಸಲು ಸ್ಥಳವನ್ನು ಕೊಡಿಸಬೇಕಾಗಿ ಕೋರಿರುತ್ತಾರೆ. ಈ ಕೆಲಸಕ್ಕಾಗಿ ಅಂಬಳೆ ಗ್ರಾಮದಲ್ಲಿ ಸರ್ವೇ ನಂಬರ್ 1 ರಲ್ಲಿ ಸರ್ಕಾರಿ ಖರಾಬು ಜಮೀನು ಇರುವುದಾಗಿಯೂ ಅದರಲ್ಲಿ ಸುಮಾರು 7½ ಎಕರೆ ಜಮೀನನ್ನು ಸರ್ವೇ ಆಫೀಸ್ ಮತ್ತು ಸಿಬ್ಬಂದಿಯವರಿಗೆ ವಾಸಕ್ಕಾಗಿ ಮನೆಗಳನ್ನು ಕಟ್ಟಿಸಲು ಸ್ಥಳವನ್ನು ಕೊಡಿಸಬೇಕಾಗಿ ಕೋರಿರುತ್ತಾರೆ. ಈ ಕೆಲಸಕ್ಕಾಗಿ ಅಂಬಳೆ ಗ್ರಾಮದಲ್ಲಿ ಸರ್ವೇ ನಂಬರ್ 1 ರಲ್ಲಿ ಸರ್ಕಾರಿ ಖರಾಬು ಜಮೀನು ಇರುವುದಾಗಿಯೂ ಅದರಲ್ಲಿ ಸುಮಾರು 7½ ಎಕರೆ ಜಮೀನನ್ನು ಸರ್ವೇ ಆಫೀಸ್ ಮತ್ತು ಸಿಬ್ಬಂದಿಯವರಿಗೆ ವಾಸಕ್ಕಾಗಿ ಮನೆಗಳನ್ನು ಕಟ್ಟಿಸಲು ಸ್ಥಳವನ್ನು ಕೊಡಿಸಬೇಕಾಗಿ ಕೋರಿರುತ್ತಾರೆ.

3. ಈ ಕೆಲಸಕ್ಕಾಗಿ 2 ಅಥವಾ 3 ಎಕರೆ ಜಮೀನು ಅಂಬಳೆ ಗ್ರಾಮದಲ್ಲಿ ಸರ್ವೇ ನಂಬರ್ 1 ರಲ್ಲಿ ಸರ್ಕಾರಿ ಖರಾಬು ಜಮೀನು ಇರುವುದಾಗಿಯೂ ಅದರಲ್ಲಿ ಸುಮಾರು 2 ಎಕರೆ ಜಮೀನನ್ನು ಸರ್ವೇ ಆಫೀಸ್ ಮತ್ತು ಸಿಬ್ಬಂದಿಯವರಿಗೆ ವಾಸಕ್ಕಾಗಿ ಮನೆಗಳನ್ನು ಕಟ್ಟಿಸಲು ಸ್ಥಳವನ್ನು ಕೊಡಿಸಬೇಕಾಗಿ ಕೋರಿರುತ್ತಾರೆ. ಈ ಕೆಲಸಕ್ಕಾಗಿ ಅಂಬಳೆ ಗ್ರಾಮದಲ್ಲಿ ಸರ್ವೇ ನಂಬರ್ 1 ರಲ್ಲಿ ಸರ್ಕಾರಿ ಖರಾಬು ಜಮೀನು ಇರುವುದಾಗಿಯೂ ಅದರಲ್ಲಿ ಸುಮಾರು 2 ಎಕರೆ ಜಮೀನನ್ನು ಸರ್ವೇ ಆಫೀಸ್ ಮತ್ತು ಸಿಬ್ಬಂದಿಯವರಿಗೆ ವಾಸಕ್ಕಾಗಿ ಮನೆಗಳನ್ನು ಕಟ್ಟಿಸಲು ಸ್ಥಳವನ್ನು ಕೊಡಿಸಬೇಕಾಗಿ ಕೋರಿರುತ್ತಾರೆ.

5. 31. 3. 1916

Deputy Commissioner
and President District
Board Chitradurga

Encl to 2B35 is-149

CHITALDRUG DISTRICT BOARD RAILWAY. Letter no 1144 dated 23-9-15

PROSPECTUS.

Sanctioned by Government in Order No. dated

The Government of His Highness the Maharaja of Mysore have, in their order No.9536-8/L.B.21-11-19 dated 28th May 1915, given their approval to the construction of a line of narrow gauge Railway of 2'6" gauge from Chickjajur to Chitaldrug and have directed the Secretary for Railways to arrange for the preparation of a detailed project.

2. The capital cost of the line is roughly estimated at 7½ lakhs of rupees. The Government have directed that the District Board should immediately take steps to finance the project. The Government in their order No. have also authorised ~~the Deputy Commissioner, Chitaldrug District to issue the necessary prospectus in the name of~~ the District Board to raise a loan of 7½ lakhs towards the cost of the project. This prospectus is accordingly issued with the approval and under the authority of the Government of His Highness the Maharaja of Mysore.

3. The Government ~~have directed that the gauge of the line should be 2'-6" and~~ have agreed to guarantee the payment of interest on the capital to be raised by the District Board towards the undertaking at the rate of 4 × 5 per cent per annum for a period of thirty years. As regards working, recoupment against loss in interest charges, division of surplus profits, creation of a sinking fund &c., the principles laid down in Government Order No.Fl.4932-81/G.F.163-13-1 dated 22nd April 1914(published at page 334-A, part I of the Mysore Gazette dated 23rd April 1914) will apply to this system as to other feeder lines.

4. The District Board of Chitaldrug has resolved to raise a loan towards the cost of the undertaking by the issue of debentures. The debenture bonds will be for Rs. 6¼, 25 and 100 each redeemable at the expiry of thirty years from the date of opening of the railway and will bear interest at 4 5 per cent per annum with effect from the date of payment of the money into the Government Treasury,

The interest will be ~~payable~~ paid half-yearly on the 1st January and the 1st July. The District Board has also resolved that after the line has begun to yield a return of more than 4½ per cent on the capital outlay half of the surplus profits accruing to the Board's share may be distributed as bonus among the debenture holders, the other half being retained by the Board, as the nucleus of a sinking fund. Debentures to the value of 7½ lakhs of rupees are now open for subscription by the public including such of the Municipalities and District Boards as may decide to invest in the same and application for shares in the prescribed printed form hereto annexed, together with the first instalment of not less than 12½% of the amount applied for ~~in~~ in the case of shares of the value of Rs 100 and Rs 5 in the case of shares of the value of Rs 25 ~~and Rs 1¼ in the case of shares of the value of Rs 6¼~~ may be presented at any Government Treasury in the State. The balance will be called up in instalments of not more than 12½ per cent of the amount allotted in the case of shares of the value of Rs 100 and Rs 5 in the case of shares of the value of Rs 25 ~~and Rs 1¼ in the case of shares of the value of Rs 6¼~~, spread over two years, at least two months' notice being given before each call.

6. A discount of 1% will be allowed on all amounts remitted or paid into any of the Treasuries in the State on or before the 31st March 1916, on account of all debentures subscribed for by that date.

C S Balasundaramayyar

President, District Board,

Chitaldrug District.

S.V.

5. Notwithstanding the provisions of para 4, the Dt B may pay the whole or any part of the loan at par at any time after 5 years beginning with 1st March 1916 and after giving notice of 6 months prior to repayment. The debentures to be discharged may be selected by lot or otherwise as the Dt B may deem fit and if the present loan is to be discharged by raising another loan at a cheaper rate of interest the debenture holders in the present loan shall be given option to take up shares in the cheaper loan—

Form of application.

To

The President,

District Board,

Chitaldrug.

Through

The Treasury Officer,

Taluk / District Treasury.

Sir,

I request that -..... debenture bonds of the value of Rs. each in the debenture loan raised by the Chitaldrug District Board (~~under Government guarantee~~ Sanctio) for the Chitaldrug District Board Railway Project may be registered in my name on the terms mentioned in the prospectus and I herewith remit Rs. only (Rs.) being the 1st instalment towards the above numbers of shares.

I undertake to pay further calls in instalments of not more than 12½% in the case of shares of the value of Rs. 100 and ~~one-fifth~~ one-fifth of the amount in the case of the other ~~two~~ kinds of shares as mentioned in the prospectus, spread over two years.

Place. .....

Date. .....

Signature of subscriber.

Full Name and address of subscriber.

Note:- This application must be filled up and signed by the subscriber and presented at the Treasury with duplicate Challans of the usual form. One of the Challans will be returned to the party with the Treasury Officer's acknowledgement.

Treasury Officer's certificate.

Certified that I have received from .... the sum of rupees ..... only being the 1st instalment paid on account of ..... shares in the Chitaldrug District Railway project.

Place.....

Date .....

Treasury Officer,

Taluk / District Treasury.

No 244
19.11.15

Office of the Deputy Commissioner,
Chitaldrug District.
Dated Chitaldrug, 19th November 1915.

L.S. 37-15-1A. 1940
1406

From

C. S. Balasundaram Iyer Esquire B.A.,
Deputy Commissioner
C h i t a l d r u g.

To

V. R. Thyagaraja Iyer Esquire M.A.,
Secretary to the Government of
H. H. the Maharaja of Mysore,
Revenue Department, Bangalore.

S I R,

In continuation of my official letter No. 144 dated 17/23rd September 1915 and with reference to the subsequent D. O. correspondence(vide my letter No.320 dated 3rd November 1915 regarding the District Fund Railway Loan), I have the honor to forward herewith a copy of a letter dated 12th instant from Mr. Rajamantrapravina, Dewan Bahadur J. S. Chakravarti, expressing his opinion as regards the terms on which such loans may be raised at present.

It seems to me that the interest on the loan under contemplation may be fixed at 5% instead of at 6% as suggested by Mr. Chakravarti. This lower rate will, I think, be sufficient especially in view of the fact that it is to be proposed to distribute among the debenture holders ½ the District Fund share of the profits from the Railway when the Railway earns more than 4% on the capital outlay. Mr. Chakravarti is no doubt of opinion that it is not very desirable to distribute profits among debenture holders, but it seems to me that such an attraction will create a good deal of local interest among the debenture holders. As stated by Mr. Chakravarti it will not be difficult to make the necessary financial arrangements. A similar distribution of profits has found a place in the Shimoga

District Railway Bohems, and I am sure that the majority of the people of this District expect a similar advantage and there will be a good deal of disappointment if that condition is not sanctioned.

With a view to retain liberty of action after the present stringent conditions of the money market relax in the course of another 5 years or so, a condition should be inserted that the District Board will be at liberty to pay off the whole or any part of the loan at par at any time after 5 years at 6 months' notice. The debentures to be discharged may be selected by lot or otherwise and if this loan is to be discharged by raising another loan at a cheaper rate the debenture holders of this loan may be given the option to take up the other loan.

I request that Government may be pleased to pass orders at a very early date about the points raised in this letter and approve of the proposals sent with my letter No. 144 dated 17th/23rd September 1915, with the modifications found necessary in accordance with the decisions on the points now raised.

There are indications that the loan will be taken up if it is put before the public without loss of time and a good deal of the money may be paid in as soon as the harvest season is over i.e. from January to June. I therefore solicit once again the favour of very early orders on this reference so that the present favorable opportunity may not be lost.

I have the honor to be

S I R,

Your most obedient servant

S.V. Chitaldrug District

Deputy Commissioner

'2 S 68-15 155

21/2
G.R.S. 26]

SUBJECT Railway from Chickjajur to Chitaldrug

Diary No. of letter replied to

Section LB
File No. 37
Serial No. 15

General and Revenue Secretariat

( )

, the 191

No. 6206
LB37/15
Dt 23.2.16

Date of issue 23.2.16

To
The Deputy Commissioner
Chitaldrug Dt.

Signed by Mrs V. Ramanathan

Sir,

With reference to the correspondence ending with your letter No: 244 dated the 19th November 1915 in the matter of financing the project for the construction of a narrow gauge railway from Chickjajur to Chitaldrug, I am directed to state that a break of gauge at the junction with

over.

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the main line requires extra rail
provision for rolling stock besides
~~running, reserve, maintenance~~ & to traffic
in the matter
of loading and unloading and waiting for wagons etc.
In view of these circumstances and
the recent recommendations
of the Railway Committee on
the undesirability of multiplication
of gauges in the State lines
Government consider that the
gauges of the proposed railway
may be altered from 2'-6"
to 3'-3 3/8" (the permanent way & rolling stock being made of a lighter kind than usual. This will involve
~~and~~ the cost of the project
~~raised~~ from 7½ to 9 lakhs
I am therefore ~~instructed~~
to request you to be so good
as to obtain ~~and~~ the views
once again
of the District Board in regard
to the change of gauge ~~and~~, in view of these circumstances and
& forward a copy of their resolution
in the matter together with
a revised prospectus for raising
the required loan, if they agree to the change

List of enclosures.

Copied by

Examined by

11/2/16

Yours &c

GPB—20,000—11-2-14

1100 18/2

Secretary to Govt
Rev Dept

Enc. to LB D)-75=3

Proceedings of the special meeting of the Chitaldrug District Board held at Chitaldrug on Friday the 10th March 1916.

Present:- C. S. Balasundaram Iyer Esquire B.A., President.

Ex-Officio Members.

P. 1. Mr. T. Hanumantha Rao [illegible] B.A.,B.L., Try: Asst: Commissioner & Vice President.

P. 2. Mr. T. Chokkanna B.A., Sub-Division Officer, Chitaldrug.

A. 3. Mr. Ananda Rao S. Sirsi B.A.,L.B., Sub-Division Officer, Davangere

A. 4. Mr. R. S. Navaratna, Executive Engineer, Chitaldrug Division.

P. 5. Mr. C. Rajaram Rae, District Medical Officer, Chitaldrug.

A. 6. Mr. M. G. Samuel, District Sanitary Officer, Chitaldrug.

P. 7. Mr. M. Narayana Rao B.A.,B.L., District Inspector of Education.

Non-Official Members.

P. 1. Mr. Kariyanna, Patel.

P. 2. Mr. Channaviraiya.

P. 3. Mr. Shanbhog Subbanna.

P. 4. Mr. Bhari Sanna Thiruveswami.

P. 5. Mr. Gundappa.

P. 6. Mr. D. Ramanna.

P. 7. Mr. K. V. Gopalaiya.

P. 8. Mr. Gowda Nagappa.

P 9. Mr. Settara Pâpanna.

A 10. Mr. T. Shadaksherappa.

P. 11. Mr. Jodidar Shamachar.

P. 12. Mr. Gurusiddappa.

P. 13. Mr. Ananthe Chetti.

P. 14. Mr. Sanna Thippaiya.

P. 15. Mr. Narain Chetti.

A. 16. Mr. Onkarappa.

A 17. Mr. Settara Pommanna.

A 18. Mr. Abdul Razak.

Explanation of absence is forthcoming from the following members:-

1. The Executive Engineer. 2. Mr. Onkarappa. 3. The Sub Division Officer, Davangere.

355

Rt. Read Revenue Secretary's letter No.6206/L.B.37-15-2 dated 23rd February 1916 calling for the opinion of the District Board about the adoption of the metre gauge for the Chickjajur-Chitaldrug Railway.

Resolution:- The District Board agrees to the adoption of the metre gauge for the Chitaldrug-Chickjajur line and will take steps to raise the necessary loan.

(Sd) C. S. Balasundaram Iyer

President, District Board.

"C.O.P.Y."

C.S. Balasundaram Iyer

Deputy Commissioner

S.V. Chitaldrug District.

355

D 4080

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The Bank of Mysore Ltd.

TELEGRAPHIC ADDRESS:-
"MYSOREBANK."
CODE – 5TH EDITION A.B.C.

All communications to be addressed
TO THE MANAGER.

No. G. 6/143.

Bangalore 15th May 1916

Addressed B'V
To T. 15/5/16 FB/1075-16

L.B. 37-15=5

From

Mr. W. C. Rose,
Manager, Bank of Mysore, Ltd.
Bangalore.

To

V. R. Thyagaraja Iyer, Esq., M.A.,
Secretary to the Government of His Highness the
Maharaja of Mysore,
Bangalore.

Sir,

I am in receipt of your letter of the 20th ult. No.7852/L.B.37-15-3 calling for the views of the Bank in respect to the flotation of a Railway Debenture loan of 9 lakhs of rupees by the District Board of Chitaldrug in the open market at 5% interest under Government guarantee.

In reply, I am directed by the Board to submit the following observations on the terms and conditions of the proposed loan as laid down in the Prospectus attached to your letter.

Interest on loan.

The proposed rate of interest is considered

sufficient, but with the present stringency for money, it is suggested that the issue of the loan might be made in the slack season when monetary conditions are generally easier in India.

Government guarantee of interest and redemption of capital

In Clause 3 of the Prospectus, it is stated that the Government have agreed to guarantee the interest on Capital to be raised by the District Board towards the undertaking at the rate of 5% per annum for a period of 30 years. There is no mention of a Government guarantee for repayment of principal at the expiry of the 30 years during which period the interest only is guaranteed, or the specific offering, such as the Railway line itself to the debenture holders as their security. It may be argued that if for any reason the Chitaldrug District Board are unable to meet the payment of interest, the property in the line would pass to Government as their security for the payment of the guaranteed interest for the period stated, and thereafter any renewal of the Government guarantee of interest and the matter of the repayment of capital, would obviously be at the discretion of the Government. Further, it might with some advantage be provided that in the event of the Government or the District Board

exercising the option provided in Clause 5, a premium of 5% would be paid on the whole loan, or part thereof, if discharged within 10 years and 3% if within twenty years.

The proposal to pay a premium is likely to create a free market for the Debentures, and at the same time give the security a definite value. Both Capital and interest may be exempted from all taxes, present and future, and will be a positive charge upon the general revenues of the Government of Mysore. If the suggestion should commend itself to Government, the matter of the division of the moiety of the surplus profits, as provided in Clause 4, might be eliminated altogether and the whole surplus applied towards a sinking fund for the annual redemption or purchase in the open market of the debentures.

Payment of interest on calls received in advance.

The period of two years proposed for calls to be made is considered excessive. It is suggested that intervals of 2 months between each call with one months notice would be ample, and that it should be optional to a debenture holder to pay the full amount of such calls in advance, and to receive 5% interest from the date of such payment into the Government

treasury. In case of default in the payment of any instalment by its proper date, the deposit and any instalments previously paid to be liable to forfeiture.

Form of issue and minimum application.

It is thought that the issue of "Bearer Bonds" as well as Registered Stock will prove popular to investors and that bonds of the denomination of Rs.20, 50, 100, 500 and 1000 be issued. No fee to be made for the transfer of stock into Bearer Bonds or vice versa. In the case of "Bearer" Bonds, half yearly coupons to be attached to each bond. The coupons to be accepted by Government at its full value in payment of any Government dues, and the Bonds to be a valid tender for any Government contract, security deposit &c. Interest to be payable at any Government treasury, or Head office, Branch or Agency of the Bank of Mysore, Ltd.

Form of application.

A copy of the usual letter of application issued by Light Railway Companies in India is submitted for the consideration of the Government.

Agency of issue and Management.

On the acceptance by Government of the foregoing proposals, the Board of Directors are prepared to underwrite the whole of the proposed issue on payment of a commission of 3%, and to undertake the issue and management of the loan for the first 12 months,

excluding the cost of printing the prospectus and debenture forms, cost of registration and stamps, if any, and thereafter a fee of ½% for the future management and payment of interest on the loan.

I have the honor to be,

Sir,

Your most obedient servant,

Manager.

APPLICATION FOR REGISTERED STOCK OR BEARER BONDS.

The List of Applications closes on.....

THE CHITALDRUG-CHICKJAJUR LIGHT RAILWAY.

Sanctioned by the Government of Mysore under Government Order No. dated and both principal and interest guaranteed by Government.

CAPITAL - Rs.9,00,000

Present issue of Rs.9,00,000 in Registered Stock or Bearer Bonds of Rs.20, 50, 100, 500 and 1,000 each at par.

To The President of the Chitaldrug District Board, Chitaldrug.

CHITALDRUG-CHICKJAJUR RAILWAY.

Thro' the Bank of Mysore, Ltd./Treasury officer at.....

Sir,

Having paid to your Bankers, the Bank of Mysore, Ltd. Rs..... Treasury being a deposit of 10 per cent in respect of Rs.....Bearer Bonds/ Registered Stock of the above-named Railway, I/We request you to allot me/us that amount of Bonds/Stock upon the terms of the prospectus dated the.....and I/We hereby agree to accept the same or any smaller amount that may be allotted to me/us and to pay the sum of Rs.10 per cent on Allotment and the further instalments in accordance with the terms of the said Prospectus.

Name in full (State whether Mr) (Mrs or Miss &c.) .....

Fathers name.....

Caste.....Signature.....

Address.....

.....

Occupation.....

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Treasury. Government Bankers or to be sent entire to the

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G.R.S. 28]

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Fin. 1

Financing Comp No H654 & 26/7/16
Chitaldrug - Chickjajur
Railway project.

#7

File No. 37
Serial No. 15 6

Diary No. of letter replied to 3397

Proceedings of the Government of His Highness the Maharaja of Mysore

GENERAL AND REVENUE SECRETARIAT.
(LB)

Enmd Holt

READ—

, *the* 7 Aug 0 191

G.O. No. 9536-8/LB21-11-4 dated the 28th May 1915 directing that the proposed railway line from Chickjajur to Chitaldrug be built on the narrow gauge and that the District Board should take steps to finance the project

Date of issue 27.7.16.

Signed by Jas B Sullivan

ORDER THEREON.—No.

2) Note dated the 27th Nov 1915 by the Offg Secretary

(Para 6 of the Note)

over.

SUBJECT.

GPB—50,000—1-12-12

for Railways suggesting
that the line may be constructed
on the metre gauge as already
Sanctioned by the Govt of India
in order to avoid break of
gauge at the Junction with
the Southern Maharatta Railway
and the Consequent inconvenience
of loading and unloading

3) Correspondence ending
with letter no: 448 dated
the 11th March 1916 from the
Dy Comm & President St Bd Chatalons &c
reporting that the St Bd are
agreeable to the adoption
of a metre gauge and
forwarding for approval
a draft prospectus for
raising a loan of 9 lacs
of rupees at 5% interest
in order to meet the
initial outlay on the
project

Paper under disposal
no 11

(72)

PROSPECTUS OF THE

CHITALDRUG DISTRICT BOARD RAILWAY DEBENTURE LOAN OF

1916.

Sanctioned by Government in order No. 732-4 / RB 37-15-6 dated 22-7-16

The Government of His Highness the Maharaja of Mysore have in their order No. 732-4 / RB 37-15-6 of 22.7.16 given their approval to the construction of a line of metre gauge railway from Chickjajur to Chitaldrug and a detailed project for the line has already been prepared.

2. The capital cost of the line is now roughly estimated at 9 lakhs of rupees. The Government have directed that the District Board should immediately take steps to finance the project. The Government have also authorised the Deputy Commissioner, Chitaldrug District, to issue the necessary prospectus in the name of the District Board to raise a loan of 9 lakhs of rupees by the issue of debentures towards the cost of the project. This prospectus is accordingly issued with the approval and under the authority of Government of His Highness the Maharaja of Mysore.

3. The Government have decided that the gauge of the line should be 3' - 3⅜" and have agreed to guarantee the interest on the capital to be raised by the District Board towards the undertaking at the rate of 5% per annum for a period of 30 years. As regards working, recoupment against loss in interest charges, division of surplus profits, creation of a sinking fund &c., the principles laid down in Government order No. Fl.4932-81/G.F.163-13-1 dated 22nd April 1914(published at page 334 A, Part I of the Mysore Gazette dated 23rd April 1914) will apply to this system as to other feeder lines.

4. The District Board of Chitaldrug has resolved to raise a loan towards the cost of the undertaking by the issue of debentures. The debenture bonds will be for ~~Rs 64~~ 25 and 100 each redeemable at the expiry of 30 years from the date of opening of the Railway and will bear interest at 5% per annum with effect from the date of payment of the money into the Government Treasury. The interest will be paid half yearly on the 1st January and 1st July. The District Board has also resolved that after the line has begun to yield a return of more than

FORM OF APPLICATION.

To

The President, District Board,

Chitaldrug District.

Through

The Treasury Officer,

Taluk / District Treasury.

Sir,

I request that ..... debenture bonds of the value of Rs .... each in the debenture loan raised by the Chitaldrug District Board under Government ~~guarantee~~ sanction for the Chitaldrug District Board Railway Project may be registered in my name on the terms mentioned in the prospectus and I herewith remit Rs only (Rs) being the 1st instalment towards the above numbers of debentures.

I undertake to pay further calls in instalments of not more than 12½% in the case of ~~shares~~ debentures of the value of Rs 100 and one-fifth of the amount in the case of the other X kind of ~~shares~~ debentures as mentioned in the prospectus spread over 2 years.

Place.....

Date.....

Signature of subscriber.
Full name and address of subscriber.

Note:- This application must be filled up and signed by the subscriber and presented at the Treasury with duplicate chalans of the usual form. One of the chalans will be returned to the party with the Treasury Officer's acknowledgement.

TREASURY OFFICER'S CERTIFICATE.

Certified that I have received from..... the sum of rupees ..... only being the 1st instalment paid on account of ..... debentures in the Chitaldrug District Railway project

Place.....

Date.....

Treasury Officer

Taluk / District Treasury.

D 659

Pno 44 D 6-9

Office of the Deputy Commissioner,
Chitaldrug District.
Dated Chitaldrug, 15th August 1916.

From

C. S. Balasundaram Iyer Esquire B.A.,
Deputy Commissioner,
C H I T A L D R U

To

LB 37-15-7

L. Krishna Rao Esquire,
Offg: Secretary to the Government of
His Highness the Maharaja of Mysore,
Revenue Department, Bangalore.

S I R,

7

With reference to Government order No. 732-4/L.B.37-15-6 dated 22nd July 1916 approving of the prospectus for raising the loan of Rs 9,00,000 for the Chickjajur-Chitaldrug railway project, I have the honor to state that the prospectus has been sent to the Compiler, Mysore Gazette for publication with the marginally noted addition at the end of para 4 of the approved prospectus as such a provision is necessary to ensure the payment of further instalments of the amounts subscribed. I request that the addition may kindly be approved.

"On failure to pay the further instalments called for, the amount previously paid up will be liable to be forfeited to the District Board."

I have the honor to be,
S I R,
Your most obedient servant,
C S Balasundaram Iyer
Deputy Commissioner,
Chitaldrug District.

S.V.

BG

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GPB—50,000—25-9-15

GEN. & REV. SECTT
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From The Deputy Commissioner
Chitaldrug District

To The Secretary to Govt
Revenue Department
Bangalore

Dated 15-8-16

Despatched 17.8.16

Received

General No. C. No. 44 & HO
No. 16-17

Enclosure No.

Requesting Sanction to the Condition added subsequently to para 4 of the approved prospectus relating to the Encouragement along Railway project to ensure the payment of further instalments from the Encumbrancers to the loan

D 1003

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Cno 44 & de 1617

Office of the Deputy Commissioner,
Chitaldrug District.
Dated Chitaldrug, 16th September 1916.

From

C. S. Balasundaram Iyer Esquire B.A.,
Deputy Commissioner,
C H I T A L D R U G.

To

L. Krishna Rao Esquire,
Offg: Secretary to the Government of
His Highness the Maharaja of Mysore,
Revenue Department, Bangalore.

S I R,

As called for in Government order No.1545-6/L.B. 37-15-8 dated 24th August last, I have the honor to forward herewith a dozen copies of the prospectus relating to the loan of Chickjajur-Chitaldrug District Board Railway.

I have the honor to be,
S I R,
Your most obedient servant,
Try: Assistant Commissioner,
For Deputy Commissioner,
Chitaldrug District.
(Absent from station).

S.V.

GPB—50,000—25-9-15

19 SEP 1916

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From The Deputy Commissioner
Chitaldrug District

To The Secretary to Government
Revenue Department
Bangalore

Dated 16.9.16

Despatched 16.9.16

Received

General No. C no 44 D de 16-0
No. 1617

Enclosure No.

Forwarding herewith a dozen copies of the prospectus relating to the Taare of Chitaldrug District Board Railway

CHITALDRUG DISTRICT.

PROSPECTUS OF THE DISTRICT BOARD RAILWAY DEBENTURE LOAN OF 1916.

Sanctioned by Government in Order No. 732-4—L. B. 37-15-6, dated 22nd July 1916.

The Government of His Highness the Maharaja of Mysore have in their Order No. 732-4—L. B. 37-15-6, dated 22nd July 1916, given their approval to the construction of a line of metre gauge railway from Chikjajur to Chitaldrug and a detailed project for the line has already been prepared.

2. The capital cost of the line is now roughly estimated at 9 lakhs of rupees. The Government have directed that the District Board should immediately take steps to finance the project. The Government have also authorised the District Board to raise a loan of 9 lakhs of rupees by the issue of debentures towards the cost of the project. This prospectus is accordingly issued with the approval and under the authority of the Government of His Highness the Maharaja of Mysore.

3. The Government have agreed to guarantee the interest on the capital to be raised by the District Board towards the undertaking at the rate of 5 per cent per annum for a period of thirty years. As regards working, recoupment against loss in interest charges, division of surplus profits creation of a sinking fund, etc., the principles laid down in Government Order No. Fl. 4932-81—G. F. 163-13-1, dated 22nd April 1914 (published at page 334 A, Part I of the *Mysore Gazette*, dated 23rd April 1914) will apply to this system as to other feeder lines.

4. The District Board of Chitaldrug have resolved to raise a loan towards the cost o the undertaking by the issue of debentures. The debenture bonds will be for Rs. 25 and 10(each redeemable by the District Board at the expiry of thirty years from the date of openin of the railway and will bear interest at 5 per cent per annum with effect from the date of pay ment of the money into the Government Treasury. The interest will be paid half-yearly o the 1st January and 1st July. The District Board have also resolved that after the line ha begun to yield a return of more than 5 per cent on the capital outlay, half of the surplu profits accruing to the Board's share may be distributed as bonus among the debentur holders, the other half being retained by the Board as the nucleus of a sinking fund. De bentures of the value of 9 lakhs of rupees are now open for subscription by the public includ ing such of the Municipalities and District Boards as may decide to invest in the same an application for debentures in the prescribed printed form hereto annexed together with th 1st instalment of not less than 12½ per cent of the amount applied for in the case of deben tures of the value of Rs. 100 and Rs. 5 in the case of debentures of the value of Rs. 25 ma be presented at any Government Treasury in the State. The balance will be called up i instalments of not more than 12½ per cent of the amount allotted in the case of debenture of the value of Rs. 100 and Rs. 5 in the case of debentures of the value of Rs. 25 spread ove two years at least two months' notice being given before each call. On failure to pay the further instalments called for, the amounts previously paid up will be liable to be forfeited to the District Board.

5. Notwithstanding the provisions in the above, the District Board may pay off the whole or any part of the loan at par at any time after five years, beginning with 1st July 1916 and after giving to the debenture holders a notice of six months prior to repayment. The debentures to be thus discharged may be selected by lot or otherwise as the District Board or the Government may deem fit and if the present loan is to be discharged by raising another at a cheaper rate of interest the debenture holders of the present loan shall be given the option to take up shares in the loan at a lower rate.

C. S. BALASUNDARAM IYER,
Dy. Comr. and President, District Board.

FORM OF APPLICATION.

To

The President, District Board,
Chitaldrug District.

THROUGH THE TREASURY OFFICER, $\frac{\text{Taluk}}{\text{District}}$ TREASURY

SIR,

I request that.....debenture bonds of the value of Rs..... each in the debenture loan raised by the Chitaldrug District Board under Government sanction for the Chitaldrug District Board Railway Project may be registered in my name on the terms mentioned in the prospectus and I herewith remit Rs..... only (Rs.....) being the 1st instalment towards the above numbers of debentures.

I undertake to pay further calls in instalments of not more than 12½ per cent in the case of debentures of the value of Rs. 100 and one-fifth of the amount in the case of the other kind of debenture as mentioned in the prospectus, spread over two year.

Place..... .....Signature of subscriber.

Date.....Full name and address of subscriber.

NOTE.—This application must be filled up and signed by the subscriber and presented at the Treasury with duplicate chalans of the usual form. One of the chalans will be returned to the party with the Treasury Officer's acknowledgment. This chalan should be retained and exchanged for the *ad interim* order to be issued later on.

Treasury Officer's Certificate.

Certified that I have received from.....the sum of Rs.....only being the 1st instalment paid on account of.....debentures in the Chitaldrug District Railway Project.

Place.....

Date..... Treasury Officer,

$\frac{\text{Taluk}}{\text{District}}$ Treasury.